



ALLTEL Corporate Services, Inc.
655 15th Street N.W. • Suite 220 • Washington, DC 20005
Telephone: 202-783-3970 • Facsimile: 202-783-3982
October 9, 1996

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Federal Communications Commission
Office of Secretary

Mr. William F. Caton
Office of the Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: CC Docket No. 96-187
Implementation of Section 402(b)(1)(A)
In the Telecommunications Act of 1996

Dear Mr. Caton:

Enclosed for filing please find an original and sixteen (16) copies of the Comments of ALLTEL Telephone Services Corporation, in the referenced rulemaking proceeding.

Please address any questions respecting this matter to the undersigned counsel.

Very truly yours,

Carolyn C. Hill

CCH/ss

Enclosures

cc: Mr. Jerry McKoy (w/diskette)
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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Federal Communications Commission
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In the Matter of)
)
Implementation of Section 402(b)(1)(A))
in the Telecommunications Act)
of 1996)

CC Docket No. 96-187

To: The Commission

COMMENTS

ALLTEL Telephone Services Corporation

Carolyn C. Hill
655 15th Street, N.W.
Suite 220
Washington, D.C. 20005
(202) 783-3970

Its Attorney

**SUMMARY OF
ALLTEL TELEPHONE SERVICES CORPORATION'S COMMENTS
IN CC DOCKET 96-187**

Congress intended for the Commission to adopt genuine streamlining measures with respect to LEC tariffs. The 96 Act requires more than mere streamlining of the notice period for LEC tariff filings. There must be genuine streamlining which means the elimination of cost support for LECs' tariffs. Competitive reality dictates that the ALLTEL companies' tariff filings be treated in the same manner as the tariff filings of competitive access providers and other competitors.

All LEC tariff filings are eligible for the shortened notice periods required by the 96 Act. If anything, new tariff offerings should be effective on an even shorter notice period than seven or fifteen days.

Post-effective tariff review is not in the public interest nor is it contemplated by the Act. Such a practice will increase the burdens on the ALLTEL companies and put their tariff filings under a continuing cloud.

Any increased requirements for LEC tariff filings would encumber the tariff process, not streamline it.

The annual access tariff filings qualify for streamlined treatment under the 96 Act.

One further streamlining proposal which will further the objections of the 96 Act is the elimination of the requirement that LECs must obtain a Part 69 waiver for their new access services.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Implementation of Section 402(b)(1)(A))	
in the Telecommunications Act)	CC Docket No. 96-187
of 1996)	

COMMENTS OF ALLTEL TELEPHONE SERVICES CORPORATION

ALLTEL Telephone Services Corporation, on behalf of its local telephone exchange affiliates (hereinafter "ALLTEL" or the ALLTEL companies"), respectfully submits its Comments on the Commission's Notice of Proposed Rulemaking ("NPRM") released September 6, 1996 in the above-captioned matter.

In the NPRM, the Commission has recognized the sweeping changes made by the Telecommunications Act of 1996 ("96 Act") which will affect all consumers and telecommunication service providers. In order for such changes to be effectively implemented and the legislative intent of the rapid deployment of services and technology on a competitive basis fulfilled, ALLTEL believes the current regulatory environment must change. One way that to accomplish this is a commitment to the expeditious elimination of regulations and policies that only serve to keep the independent LECs in an unwarranted time-lock.

Competition is here - the ALLTEL companies know it and are prepared for it. Therefore, it serves no useful purpose to continue many current tariff policies or to adopt new ones that impede competition. Commission policy and regulation should not be predicated on precepts of a monopoly market; rather, they should be predicated on competitive reality. Consequently, ALLTEL submits that the rule changes proposed herein should be considered interim in nature and adopted only so as to achieve compliance with the immediate requirements of legislatively-mandated tariff streamlining. Moreover, ALLTEL believes that competitive reality dictates that its tariff filings be treated in the same manner as the tariff filings of competitive access providers and other competitors.

III. Streamlined LEC Tariff Filings Under Section 402 of the 1996 Act

Before addressing the specific proposals in the NPRM, it is important to make one fundamental point. That is, the 96 Act went beyond shortening the notice period for LEC tariff filings. It requires the adoption of genuine streamlining. In other words, the 96 Act requires the elimination of regulatory impediments to competition, such as LEC cost support for their tariffs. One has only to look at the heading of Section 402 (b)(1) of the 96 Act to realize this. It is captioned "Streamlined Procedures for Changes in Charges, Classifications, Regulations or Practices." The caption is not limited simply to streamlined notice periods. If this had been the intent of the Congress, it would have been simple enough to reflect this, but this was not the case. ALLTEL participated extensively in the legislative process culminating in the enactment of the 96 Act and submits that the Congress intended that there be sweeping

regulatory relief for LECs with respect to their tariffed services. Thus, ALLTEL stresses that the Commission must move beyond its current narrow focus of streamlining only the tariff notice periods and, instead, adopt regulations eliminating current cost support requirements for LEC tariff filings.

Turning now to the specific proposals in the NPRM, ALLTEL agrees with the Commission's two tentative conclusions in paragraphs 6 and 7 of the NPRM that (1) the Congress intended to foreclose the exercise by the Commission of its general authority under Section 203(b)(2) to defer up to 120 days tariffs filed on seven or fifteen days' notice and (2), by specifying that LEC tariff shall be "deemed lawful", the Congress intended to change the current regulatory treatment of LEC tariff filings.

With respect to the award of damages when tariffs are "deemed lawful", ALLTEL's interpretation of the statute is consistent with the Commission's first interpretation discussed in paragraphs 9-12 of the NPRM. Thus, damages cannot be awarded for the period prior to the time that the Commission determines that a different rate is the lawful rate.

IV. LEC Tariff Eligible for Filing on a Streamlined Basis

ALLTEL is in agreement with the Commission's tentative conclusion in paragraph 17 that all LEC tariff filings involving changes to existing service offerings are eligible for streamlined treatment. Moreover, ALLTEL believes that the 96 Act extended, at the very least, similar treatment to new services. Keeping in mind that the 96 Act was a deregulatory, pro-competitive one, ALLTEL believes that it would have made little sense for the Congress to have afforded streamlined treatment to existing

LEC offerings, and, at the same time, to have precluded new service offerings the same treatment. If anything, under the pro-competitive framework of the 96 Act, new services should be permitted to become effective on even shorter notice periods. LECs must be able to address the requirements of the competitive marketplace and be responsive to the needs of carriers desiring to purchase new access services. Why then should the public be deprived of the timely implementation of responsive service offerings?

One tentative conclusion that puzzles ALLTEL is found in paragraph 19 of the NPRM; namely, that if a LEC files on a longer notice period than seven or fifteen days, such a filing would not be “deemed lawful”. ALLTEL believes that there could be a variety of reasons for a LEC’s choosing to file a tariff on greater than seven or fifteen days notice, but that this is discretionary and certainly should not constitute relinquishment of consideration as being “deemed lawful”.

V. Streamlined Administration of LEC Tariffs

ALLTEL endorses the electronic filing of tariffs and supports the Commission’s desire to reduce regulatory burdens on carriers. At this point in time, though, ALLTEL does not believe that the integrity of electronic filings can be guaranteed. ALLTEL, however, encourages the Commission to continue to explore this matter with the industry.

Exclusive Reliance on Post-Effective Tariff Review

In paragraph 23 of the NPRM, the Commission questions whether it should adopt a policy of relying on post-effective tariff review for certain types of tariff filings

in order to police LEC compliance with Title II of the Act. Under this approach, instead of reviewing tariffs before their effective date, the Commission would review them after they became effective. ALLTEL objects to the establishment of a practice of relying on post-effective review because this would not further the tariff streamlining required by the 96 Act. Rather, such a practice would increase the burden on the ALLTEL companies and put their tariff filings under a continuing cloud. Moreover, the 96 Act did not substitute exclusive post-effective tariff review for the pre-effective tariff review contemplated by Section 204(a)(1).

Pre-Effective Tariff Review of Streamlined Tariff Filings

Assuming the continuation of pre-effective tariff review, the Commission has proposed that, to facilitate its determination of whether to suspend and investigate tariffs filed on seven or fifteen days' notice, it should require LECs to provide more complete descriptions or information than is currently required. Once again, ALLTEL cautions that the Congress intended to streamline the tariff process - not to encumber it. Unfortunately, the cited Commission proposal doesn't fall into this category. ALLTEL opposes the imposition of any additional tariff filing requirements and believes that the information currently required in tariff transmittals sufficiently advises the public as to the nature of the tariff filing.

Insofar as the Commission's inquiry as to the appropriate treatment for LEC tariff filings that contain both increases and decreases, ALLTEL suggests that streamlined regulation could be facilitated by allowing small and mid-sized companies, such as the ALLTEL rate-of-return companies, to define rate increases and decreases at

the access category level and file accordingly. In such an instance, the notice period would be determined on the basis of whether or not, in the aggregate, rates go up or down.

With respect to the best mechanism for alerting the Commission staff and interested parties as to the contents of tariffs - either those filed electronically or in a hard copy or diskette format - ALLTEL believes that the tariff transmittal is and continues to be the appropriate vehicle.

Lastly, ALLTEL supports the Commission's proposed time-frame for filing and responding to petitions protesting streamlined tariff filings.

D. Annual Access Tariff Filings

ALLTEL agrees with the Commission that the LECs' annual access tariff filings qualify for streamlined treatment under the 96 Act. Once again, though, ALLTEL reiterates that it views the whole issue of tariff filings as being part of a progression whereby, in the near term, all carriers providing similar services are subject to the same set of rules.

F. Other Streamlined Proposals

One area not specifically covered in the Commission's NPRM which will further the objective of the 96 Act for the rapid deployment of services and technologies on a competitive basis is the revision of Part 69 of the Rules. Specifically, ALLTEL supports the elimination of the Part 69 waiver requirement applicable to LECs seeking to provide new services. Such a requirement forces the LEC to bear the burden of proving that the new service is in the public interest.

However, a similar burden is not shared by its competitors. Because there are no time limits within which the waiver request must be acted upon, requested service can be delayed and customers lost. The elimination of this requirement will, in ALLTEL's view, encourage the rapid deployment of new services without jeopardizing the protection afforded to the public through the tariff suspension/rejection process or through Section 205 and 208 proceedings.

Conclusion

ALLTEL supports the Commission's efforts to implement the streamlining requirements of the 96 Act in an expeditious and even-handed manner. ALLTEL believes that this can be accomplished in large measure by the implementation of its suggestions. Further, ALLTEL encourages the Commission to facilitate competition in the marketplace by the continuous and expeditious elimination of burdensome regulations currently imposed on the small and mid-sized LECs.

Respectfully submitted,
ALLTEL Telephone Services Corporation

By: Carolyn C. Hill
Carolyn C. Hill

ALLTEL Telephone Services Corporation
655 15th Street, N.W.,
Suite 220
Washington, D.C. 20005
(202) 783-3970
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